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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financial performance report for the period from 1 July 2000 to 30 June 2001 and proposed budget for the period from 1 July 2002 to 30 June 2003 for the support account for peacekeeping operations

Report of the Advisory Committee on Administrative and Budgetary Questions*

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the financial performance of the support account for peacekeeping operations for the period from 1 July 2000 to 30 June 2001 (A/56/882). The Committee has also considered the report of the Secretary-General on the estimated requirements for the support account for the period from 1 July 2002 to 30 June 2003 (A/56/885). During its consideration of the reports, the Committee met with the representatives of the Secretary-General, who provided additional information and clarification.

I. Financial performance report for the period from 1 July 2000 to 30 June 2001

2. The Committee recalls that the General Assembly, in its resolution 54/243 B of 15 June 2000, originally authorized an amount of $50,699,900 gross ($43,237,900 net) for support account post and non-post requirements for the period from 1 July 2000 to 30 June 2001, approving a total staffing establishment of 469 posts. Having considered the report of the Secretary-General on resource requirements for the implementation of the report of the Panel on United Nations Peace Operations (A/55/507 and Add.1), the General Assembly, in section I of its resolution 55/238 of 23 December 2000, approved additional post and non-post requirements for the period from 1 January to 30 June 2001 of $9,190,200 gross ($8,741,600 net), including 93 additional posts. The total resources made available for the support account for the period from 1 July 2000 to 30 June 2001 therefore amounted to $59,890,100 gross ($51,979,500 net).

* The proposed budget for the support account was made available to the Committee, in an advance version in English only, shortly before the end of its winter meetings. It was therefore necessary to draft the present report after those meetings had adjourned. The Committee commenced its spring meetings on 7 May 2002, and approved its report on the support account and submitted it for processing on 8 May.

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3. The expenditures for the period amounted to $62,026,300 gross ($53,373,900 net), resulting in additional requirements of $2,136,200 gross ($1,394,400 net) — in gross terms, 4 per cent of the approved resources for the period. As indicated in the performance report (A/56/882, para. 7), additional requirements of $3.6 million resulted from underbudgeted requirements under common staff costs for General Service staff ($2.9 million) and staff assessment ($0.7 million). The Committee was informed that this was due to an error in budget calculation resulting in an understatement of the requirement. This was partially offset by an underexpenditure of $1.5 million under non-post resources (see also A/56/882, table 1).

4. The Committee notes that, for the initial 469 posts approved, a vacancy factor of 8 per cent for Professional staff in the Department of Peacekeeping Operations, 6.5 per cent for all other Professional staff, and 2.5 per cent for General Service posts had been applied. For the additional 93 posts approved, a 50 per cent delayed recruitment factor was applied. The Committee notes from the performance report (para. 9 and table 2) that the actual average vacancy rate was 12.3 per cent and 2.5 per cent for the 469 continuing posts in the Professional and the General Service categories, respectively, and 54.2 per cent and 9.5 per cent for the 93 new posts in the Professional and General Service categories, respectively. The savings resulting from the higher than budgeted vacancy rates were more than offset by the underbudgeted requirements under common staff costs for General Service staff, particularly in the Department of Peacekeeping Operations and the Department of Management (see A/56/882, annex II, paras. 1-3).

5. The savings under non-post resources are summarized in the performance report (table 1 and annex II, paras. 5-14). The Committee notes that a large part of the savings result from underexpenditures for electronic data processing equipment ($1,116,200), as a consequence of the delays in the relocation of peacekeeping staff to the additional space completed only at the end of 2001 (see annex II, para. 11).

6. The action to be taken by the General Assembly in connection with the performance report is set out in paragraph 11, of the report (A/56/882). **The Committee recommends approval of the action proposed by the Secretary-General therein.**

II. Proposed cost estimates for the period from 1 July 2002 to 30 June 2003

Format and presentation

7. The Committee notes that the estimates for support account resources for the period from 1 July 2002 to 30 June 2003 are presented, for the first time, using the results-based budgeting format, in accordance with the request of the Committee, endorsed by the General Assembly in its resolutions 55/231, 55/271 and 56/241. The Committee discussed the new format with the representatives of the Secretary-General, who informed the Committee that the presentation would be improved in future, taking into account such guidelines as the Committee and the General Assembly would provide.

8. **The Committee welcomes the efforts to streamline the budget presentation. The Committee is of the view, however, that adequate justification of the proposed estimates should be maintained, and that accurate workload data and analysis should become an integral part of the budget proposals. The Committee recalls its comments in earlier reports (see A/55/882, para. 12 and A/56/478, para. 10).**

9. **Accordingly, while it acknowledges the efforts made by the Secretariat, the Committee is of the opinion that, in preparing the next estimates, further progress should be made in defining more clearly objectives and expected results. Furthermore, the budget process should ensure that the indicators are relevant and can be used as elements to measure the achievement of the expected results. Ideally, therefore, the 210 outputs summarized in section X of the budget report (A/56/885) should provide evidence that they are contributing to the implementation of the stated objectives and the attainment of the expected results.**

10. The Committee has made relevant comments and recommendations on the results-based budgeting format in its first report on the proposed programme budget for the biennium 2002-2003 (A/56/7, paras. 4-18) and in its report on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/56/887, paras. 25-26).

11. The Committee is of the opinion that the presentation of peacekeeping budgets, including support account budgets, should be tailored to the circumstances of peacekeeping operations rather than attempt to mirror the presentation of the regular budget. The presentation should be realistic, and define objectives and expected accomplishments, which must be attainable in the context of the services required of the peacekeeping operation concerned and in the time frame for the delivery of those services. In this connection, a distinction must be made between what can be accomplished within the budget period and what are longer-term expectations. For example, with regard to the statement of expected accomplishments in support to peacekeeping operations as a whole made in paragraph 6 of the budget report, the Committee does not believe that it has been demonstrated clearly in the report how these can be achieved between 1 July 2002 and 30 June 2003.

12. In paragraph 7 of the report it is stated that to reach those accomplishments, the Organization would require the budget resources that are reflected in table 2. **In the opinion of the Committee, that statement is too broad to be useful and should be avoided in future in any budget prepared according to the results-based budgeting format. Furthermore, it would be helpful if the Secretariat could demonstrate in the presentation, and in additional information to be supplied to the Committee, what the consequences would be if a specific level of staff or non-staff resources proposed were not authorized for the activities concerned. The limited statements in paragraphs 17, 18, 22, 105 and 106 appear to be conclusions, without an indication of the underlying analysis, including workload analysis, leading to those conclusions. In this regard, the comments of the Committee in paragraph 8 above, on the need for adequate justification, become pertinent.**

13. **Moreover, in order to promote accountability, the responsibility of each unit and programme manager in the delivery of services should be obvious and stated more clearly. To this end, the level of aggregation of objectives and expected results contained in the current submission should be re-examined. As a starting point, the budget performance for the period ending 30 June 2003 should concentrate on providing information on the extent to which organizational units and the Department of Peacekeeping Operations as a whole have attained their respective expected accomplishments.**

14. **As to the non-staff cost tables, the Committee recommends that these be further broken down to include amounts appropriated and spent during the past two periods, in order to allow better analysis of the resources proposed.**

15. **In addition, information should be included in future reports as to the action taken to implement the Committee's recommendations.**

Analysis of the proposed cost estimates

16. The Secretary-General, in his report on the proposed budget (A/56/885), estimates support account resources for the period from 1 July 2002 to 30 June 2003 at $102,316,380 gross ($88,389,480 net), which would provide for the staffing of 711 temporary posts. The Committee recalls that the General Assembly, in its resolution 55/271 of 14 June 2001, approved 562 support account-funded temporary posts for the period from 1 July 2001 to 30 June 2002 and that, in its resolution 56/241 of 24 December 2001, it approved an additional 121 posts for the remaining six-month period, from 1 January to 30 June 2002, after consideration of the resources related to the comprehensive review and capacity study requested by the Special Committee on Peacekeeping Operations.

17. As shown in table 2 of the report, the amount proposed, in gross terms, represents an increase of $12,567,130 ($12,467,800 net) over the total amount approved for the period from 1 July 2001 to 30 June 2002 of $89,749,250 gross. Most of the increase ($9,359,700) is due to the full 12-month costing of the additional 121 posts and non-post resources approved by the General Assembly in resolution 56/241, and the four posts approved in resolution 56/255 for the Office of the United Nations Security Coordinator, in addition to costs related to the proposal to establish 24 additional posts. Other increases include training ($2,055,000), consultants and experts ($938,600), staff assessment ($3,486,150), and travel ($546,400). These are offset by various decreases, mainly under general operating expenses ($3,053,950).

18. The level of resources proposed takes into account the projected scope of peacekeeping operations

shown in table 1 of the budget report, which reflects the overall magnitude and volume of peacekeeping operations and support. The Committee notes the statement in paragraph 4 that "by 2002, the support capacity at the United Nations Secretariat is reaching a level where it can effectively backstop the current volume of operations, address the needs of Member States, and pay attention to such medium-term organizational priorities as improving processes, upgrading technology, training people, and changing the organizational culture to enhance effectiveness and efficiency".

19. The overall resources under posts ($68,290,600) include the establishment of the 24 additional support account posts mentioned in paragraph 17 above, namely, 12 in the Department of Peacekeeping Operations, 3 in the Medical Services Division, 6 in the Information Technology Services Division, 1 in the Procurement Division, and 2 in the Department of Public Information. The Committee further notes that a vacancy turnover factor of 8 per cent for Professional staff and 2.5 per cent for General Service staff has been applied in the costing exercise. **The Committee is of the opinion that an increase in workload should not automatically lead to additional posts. In the first instance, the increase should be accommodated through increased productivity and efficiency before a decision is made to request additional posts.**

20. The support account resources of the Department of Peacekeeping Operations for the period from 1 July 2002 to 30 June 2003, which account for almost 77 per cent of the overall resources, amount to $78,484,730 in gross terms — an increase of $14,196,930 compared to the appropriation for the period from 1 July 2001 to 30 June 2002 of $64,287,800 (see A/56/885, table 21). The 12 additional posts proposed for the Department of Peacekeeping Operations include the following: one D-2 for a Director of Change Management (ibid., para. 15); two D-1 posts for an executive officer (para. 46) and a Chief of the Communication and Information Technology Service (para. 34); one P-5 for a Senior Gender Adviser (para. 16); one P-4 for a Disarmament, Demobilization and Reintegration Adviser (para. 17); seven General Service posts: four in the Office of Operations (para. 22), one administrative assistant within the Peacekeeping Best Practices Unit (para. 18) and two administrative assistants in the Executive Office (para. 47).

21. The Committee was informed that of the 533 currently approved posts for the Department of Peacekeeping Operations (332 Professional and 201 General Service), as of March 2002 there were 64 vacancies (58 Professional and 6 General Service).

22. As to the recruitment to fill the 91 additional posts approved under resolution 56/241 for the Department of Peacekeeping Operations, the Committee was informed that 58 posts were occupied as at 27 March 2002: 23 "permanently" encumbered after completion of established recruitment procedures (8 Professional and 15 General Service) and 35 "temporarily" occupied, pending completion of the established recruitment exercises (25 Professional and 10 General Service).

23. **The Committee recalls that, in a previous report (A/56/478), it recommended approval of the proposed D-2 post for the Director of Management. The Committee maintains its recommendation, in the context of the position set out in that report (para. 28). The Committee also recommends approval of the proposal to establish a P-4 post for the Disarmament, Demobilization and Reintegration Adviser, in view of the need for a focal point in the Department, which is solely responsible for such activities in peacekeeping operations, and of the General Service post proposed in the Peacekeeping Best Practices Unit. As to the two D-1 posts proposed (executive officer and Chief of the Communication and Information Technology Service), the Committee remains unconvinced of the need for the posts at that level, as it has previously indicated (A/56/478, paras. 34 and 56). Neither is it convinced of the need for the four General Service posts in the Office of Operations. However, the Committee does recommend approval of one of the two General Service posts proposed for the Executive Office.**

24. The Committee exchanged views with the representatives of the Secretary-General as to the functions or role of the P-5 post proposed for a Senior Gender Adviser in the Peacekeeping Best Practices Unit. The Committee is of the opinion that no adequate rationale for the post has been advanced, given that a more coherent policy in this regard is still to be developed (see A/56/478, para. 33). **Under the circumstances, the Committee does not recommend acceptance of the proposal to establish the P-5 post for the Senior Gender Adviser.**

25. The Committee recalls requesting that additional information on extrabudgetary resources to support the activities of the Department of Peacekeeping Operations be clearly identified and disclosed in future cost estimates, such as those related to the Peacekeeping Best Practices Unit, the Mine Action Service or training assistance (A/55/882, para. 13). This was found lacking in the presentation. **The Committee reiterates its request for future submissions.**

26. In this connection, the Committee notes, that for the period from 1 July 2002 to 30 June 2003, the Mine Action Service has 19 approved posts (14 Professional and 5 General Service) funded under the Voluntary Trust Fund, in addition to 5 authorized support account posts (4 Professional and 1 General Service). Upon enquiry, the Committee was further informed that estimated expenditure for the period, partly dependent upon the availability of funds contributed by donors, is estimated at $15 million. These expenditures fund the totality of activities of the Mine Action Service only. Programmes relating to mine operations are funded from extrabudgetary resources within field missions.

27. As to the Peacekeeping Best Practices Unit, the Committee notes that the additional staffing and resources approved for the Unit have reduced the dependence on voluntary contributions. The Unit currently has eight support account authorized posts (7 Professional and 1 General Service) and, as indicated in paragraph 20 above, three additional posts (1 P-5 for a Senior Gender Adviser, 1 P-4 for a Disarmament, Demobilization and Reintegration Adviser and 1 General Service) are currently being requested (see the Committee's recommendations in paras. 23 and 24 above). However, the Unit still continues to benefit from contributions to the Trust Fund and, on the basis of the current fund balance, estimated related expenditures are expected to approximate $412,000.

28. The non-post costs proposed for the Department of Peacekeeping Operations for the period from 1 July 2002 to 30 June 2003 are estimated at $15,453,730 — an increase of $5,862,030 over the amount of $9,591,700 appropriated for the period 2001-2002. The Committee notes, as shown in table 21 of the report, that the increase is mostly due to additional resources under general operating expenses ($4,056,600) and training ($1,767,000).

29. The resources proposed for training in the Department of Peacekeeping Operations include $200,000 under non-staff costs of the Executive Office for staff training (see A/56/885, para. 52); a first time provision for $694,500 for the Personnel Management and Support Service (see para. 29 and table 10); and $1,753,000 for the training activities of the Training and Evaluation Service of the Military Division (see para. 42). The Committee notes that the Civilian Training Section in the Personnel Management and Support Service oversees policy in the area of training at both Headquarters and the missions. The Committee was informed that a training catalogue was being finalized, which would be available electronically where possible, otherwise in hard copy, as well as systems for the monitoring and evaluation of these activities. **The Committee welcomes these developments.**

30. The Committee further notes that the total proposed resources for training programmes in the support account for 2002-2003 amount to $3,035,500 ($2,647,500 for the Department of Peacekeeping Operations, $295,000 for the Department of Management, $90,000 for the Office of Internal Oversight Services, and $3,000 for the Office of Legal Affairs) and that those proposed in the budgets of the different missions amount to $4,042,200, making a total of $7,077,700. The Committee has referred to the issue of training in its report on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (see A/56/887, paras. 74-75) and its first report on the proposed programme budget for the biennium 2002-2003 (A/56/7, para. VIII.35). **Given the significant and increasing amounts being spent on training related to peacekeeping operations, the Committee is of the opinion that the time has come for the Secretariat to develop a methodology and monitoring system to evaluate the results of that training in peacekeeping and related areas, as well as to increase its effectiveness by making it more mission-specific, where appropriate. The outcome of this exercise should be provided in the context of the submission of budgets for peacekeeping operations for the period 2003-2004. Based on the above, a methodology could also be developed to arrive at proposals for the training requirements to be included in future budget submissions.**

31. As to the costs associated with general operating expenses, the Committee notes from table 2 of the budget report that overall support account resources for this item amount to $8,170,600 — a decrease of $3,053,950 compared to the provision included for 2001/2002. The Committee also notes that the related provision for the Department of Peacekeeping Operations shows an increase from $2,119,600 in 2001/2002 to $6,176,200, while that of the Department of Management shows a decrease from $9,055,850 to $1,588,700 in view of the fact that the provision for rental of premises, previously contained in the resource requirements of that Department, is now allocated to the respective departments or offices. As regards available space for the Department of Peacekeeping Operations, the Committee notes the amount of $4,631,200 indicated (A/56/885, para. 48) for the rental of premises for the Department, based on standard costs. **The Committee has repeatedly referred to the issue of space allocation (see A/55/882, para. 25, and A/56/7, para. VIII.78). The Committee regrets that no information was presented in the current submission and requests that such an assessment be included in the context of the support account submission for the period from 1 July 2003 to 30 June 2004.**

32. As shown in table 29 of the Secretary-General's report, requirements of $403,500 are proposed for the Department of Public Information. This represents 0.4 per cent of the overall support account resources. No support account resources have been provided until now to the Department although there are 289 public information staff (85 Professional, 41 General Service, 156 local, 2 national officers and 5 United Nations Volunteers) in different peacekeeping missions (see the annex to the present report). The proposed provision includes $251,200 for posts, in view of the request for two P-4 posts for two information officers that would provide planning and operational support to the public information components of approximately eight missions.

33. The Committee welcomes the information provided in annex II to the report (A/56/885) outlining the division of responsibilities between the Department of Peacekeeping Operations and the Department of Public Information. The Committee recalls that in its report on the implementation of the report of the Panel on United Nations Peace Operations (A/56/478, para. 32) it indicated that the Department of Public Information should have a dedicated unit to identify and implement public information programmes in peacekeeping missions on the basis of objectives tailored to the specific needs of the missions concerned, but that the operational activities and related programmes should be requested in the context of each peacekeeping mission. The Committee referred to the operational activities and related programmes in its report on the administrative and budgetary aspects of the United Nations peacekeeping operations (see A/56/887, para. 72). **In view of the currently ongoing comprehensive review of the management and operations of the Department of Public Information, requested by the General Assembly (resolution 56/253 of 24 December 2001, para. 150) and the anticipated submission of the related report to the Assembly at its fifty-seventh session, the Committee recommends delaying a decision on the requested additional posts.**

34. The support account resources proposed for the Department of Management are summarized in table 43 of the Secretary-General's report. The requirements of $18,265,700, or 17.9 per cent of the overall support account resources, reflect a decrease in resources of $3,410,300 compared to the resources for 2001/2002. This is mostly due to the decrease of $7,467,150 under general operating expenses, as a result of the allocation of the costs for the rental of premises, previously allocated under the Department's resources, to the respective departments or offices. This decrease is offset in part by an increase of $2,568,050 under posts in view of the proposal to establish 10 new support account posts (3 Professional and 7 General Service).

35. The Secretary-General is proposing to establish three additional posts in the Office of Human Resources: one P-4 post for a medical officer (see para. 95) and two General Service posts for nurses (para. 96). The Committee notes that the Medical Services Division currently has an approved total of 28 posts (14 regular budget posts, 10 extrabudgetary posts, 4 support account posts). **The Committee does not see the need for the additional medical officer. However, the Committee recommends acceptance of the proposal to establish the two additional posts for nurses at the General Service level.**

36. Paragraph 97 indicates a provision for $240,000 for non-post requirements for the Medical Services Division related to general temporary assistance. **The**

Committee recommends acceptance of this proposal.

37. Besides the maintenance of the funding for the current number of 38 support account posts (19 Professional and 19 General Service), the Secretary-General is proposing to provide 7 additional support account posts to the Office of Central Support Services (2 Professional and 5 General Service). An additional P-3 post for a procurement officer is proposed in the Procurement Division; a P-2 post is proposed for Internet/Intranet support for missions (including IMIS); and five General Service posts (principal level), to support the wide area network and supporting satellite links, are proposed in the Information Technology Services Division (see paras. 105-107).

38. **As regards the proposal for a P-3 procurement officer post, while the Committee does not interpose an objection, it recalls that it had requested information on the structure and staffing of the Procurement Division which has not been received. The Committee recommends that approval of this post by the General Assembly should be subject to the submission to the Fifth Committee of the requested information.**

39. **The Committee recommends acceptance of the proposal to establish the P-2 and the five General Service posts in the Information Technology Services Division, which currently only has one P-2 support account post.**

40. **The action to be taken by the General Assembly in connection with the financing of the support account for the 12-month period from 1 July 2002 to 30 June 2003 are set out in section II of the report (A/56/885).**

41. **In view of the recommendations made by the Committee in paragraphs 23, 24, 33 and 35 above, the Committee recommends that the General Assembly approve total staffing and non-staffing requirements of $100,554,780 gross ($86,865,780 net) for the period from 1 July 2002 to 30 June 2003. The Committee also recommends that the miscellaneous income of $127,800 from the period from 1 July 2000 to 30 June 2001 be applied to the resources required for the period from 1 July 2002 to 30 June 2003 and that the balance of $100,426,980 gross ($86,737,980 net) be prorated among the individual peacekeeping operation budgets to meet the requirements of the support account for the period from 1 July 2002 to 30 June 2003.**

Annex

Proposed public information staffing for the period 1 July 2002 to 30 June 2003

	Professional category and above									*General Service and related categories*								
	USG	*ASG*	*D-2*	*D-1*	*P-5*	*P-4*	*P-3*	*P-2/ P-1*	***Total***	*Field Service*	*Principal level*	*Other level*	*Security Service*	***Total***	*Local staff*	*National Officers*	*United Nations Volunteers*	***Grand total***
UNDOF	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNIFIL	-	-	-	1	-	2	-	-	**3**	-	-	-	-	-	4	-	-	**7**
UNIKOM	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MINURSO	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNFICYP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNOMIG	-	-	-	-	-	1	-	-	**1**	-	-	-	-	-	-	-	-	**1**
UNMIBH	-	-	-	-	1	2	3	-	**6**	2	-	-	-	**2**	13	2	-	**23**
UNMIK	-	-	-	1	2	10	11	4	**28**	-	-	7	-	**7**	30	-	-	**65**
UNAMSIL	-	-	-	-	1	2	3	2	**8**	1	-	3	-	**4**	28	-	1	**41**
UNTAET	-	-	-	-	1	-	4	2	**7**	-	-	2	-	**2**	6	-	-	**15**
MONUC	-	-	-	1	1	7	9	6	**24**	12	-	7	-	**19**	65	-	-	**108**
UNMEE	-	-	-	-	1	3	3	1	**8**	6	-	1	-	**7**	10	-	4	**29**
Total	**-**	**-**	**-**	**3**	**7**	**27**	**33**	**15**	**85**	**21**	**-**	**20**	**-**	**41**	**156**	**2**	**5**	**289**